

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6221

BILL NUMBER: SB 33

DATE PREPARED: Feb 4, 2002

BILL AMENDED: Feb 4, 2002

SUBJECT: Higher Education

FISCAL ANALYST: Chuck Mayfield

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**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State

Summary of Legislation: (Amended) This bill makes various changes to the membership and responsibilities of the Commission for Higher Education. The bill makes various changes concerning the administration and funding of the Community College of Indiana.

Effective Date: July 1, 2002.

Explanation of State Expenditures: (Revised) *Higher Education Commission:* The bill would add four legislative members as non-voting members of the Higher Education Commission. The legislators per diem would be paid from the Legislative Services Agency's budget. The impact assuming ten two-day meetings per year could be about \$25,000 annually.

Ivy Tech State College and Vincennes University: The bill specifies that Ivy Tech State College and Vincennes University, "VU", may offer any courses in the community college system, unless an agreement is made among themselves to limit the offerings of courses by either institution. If an agreement is not reached, then there could be a duplication of courses and possible inefficiency.

The bill provides that Ivy Tech and VU are allowed to increase Indiana resident student tuition fees and facilities without a reduction in their appropriation. VU was appropriated \$852,965 for FY 2003 to freeze fees, and Ivy Tech is appropriated \$2,998,265 for FY 2003 to freeze fees. The bill provides VU and Ivy Tech the opportunity to increase revenue in the form of students' fees without the loss of state funding. Under current law VU would have to increase fees by at least \$852,965 and Ivy Tech would have to increase fees by at least \$2,997,265 before additional funding was available.

The provision of the bill requiring the Budget Committee review of the start-up appropriation of the Community College of Indiana would have no fiscal impact if the Committee reviewed the appropriation. The appropriation is \$3.25 M each year.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Higher Education Commission, State Universities.

Local Agencies Affected:

Information Sources: Kent Weldon, Higher Education Commission, 464-4400.